

The President's Weekly Address

May 15, 2010

On Thursday, I paid a visit to a small business in Buffalo, New York, a town that's been hard-hit in recent decades. I heard from folks about the struggles they've been facing for longer than they care to remember. And I talked with them about what my administration is doing to help our families, our small businesses, and our economy rebound from this recession.

Jump-starting job creation in the private sector and fostering a climate that encourages businesses to hire again is vitally important, and I'll continue working hard to make sure that happens. But my responsibility as President isn't just to help our economy rebound from this recession; it's to make sure an economic crisis like the one that helped trigger this recession never happens again.

That's what Wall Street reform will help us do. In recent weeks, there's been a lot of back and forth about the reform bill currently making its way through Congress. There's been a lot of discussion about technical aspects of the bill and a lot of heated and, frankly, sometimes misleading rhetoric coming from opponents of reform.

All of this has helped obscure what reform would actually mean for you, the American people. So I just wanted to take a few minutes to talk about why every American has a stake in Wall Street reform.

First and foremost, you have a stake in it if you've ever been treated unfairly by a credit card company, misled by pages and pages of fine print, or ended up paying fees and penalties you'd never heard of before. And you have a stake in it if you've ever tried to take out a home loan, a car loan, or a student loan, and been targeted by the predatory practices of unscrupulous lenders.

The Wall Street reform bill in Congress represents the strongest consumer financial protections in history. You'll be empowered with the clear and concise information you need to make the choices that are best for you. We'll help stop predatory practices and curb unscrupulous lenders, helping secure your family's financial future. That's why families have a stake in it.

And our community banks also have a stake in reform. These are banks we count on to provide the capital that lets our small businesses hire and grow. The way the system is currently set up, these banks are at a disadvantage because while they are often playing by the rules, many of their less scrupulous competitors are not. So what reform will do is help level the playing field by making sure all our lenders, not just community banks, are subject to tough oversight. That's good news for our community banks, which is why we've received letters from some of these banks in support of reform.

What's true for our community banks is also true for small-business men and women like the ones I met in Buffalo. These small businesses were some of the worst victims of the excessive risk-taking on Wall Street that led to this crisis. Their credit dried up. They had to let people go. Some even shut their doors altogether. And unless we put in place real safeguards, we could see it happen all over again.

That's why Wall Street reform is so important. With reform, we'll make our financial system more transparent by bringing the kinds of complex, backroom deals that helped trigger this crisis into the light of day. We'll prevent banks from taking on so much risk that could collapse and threaten our whole economy. And we'll give shareholders more of a say on pay to help change the perverse incentives that encouraged reckless risk-taking in the first place. Put simply, Wall Street reform will bring greater security to folks on Main Street.

The stories I heard in Buffalo this week were a reminder that despite the progress we've made, we need to keep working hard, so we can build on that progress and rebound from this recession in the short term. But even as we do, we also need to lay a new foundation for growth and shared prosperity over the long term.

Next week, we have a chance to help lay a cornerstone in that foundation. The reform bill being debated in the Senate will not solve every problem in our financial system; no bill could. But what this strong bill will do is important, and I urge the Senate to pass it as soon as possible, so we can secure America's economic future in the 21st century.

NOTE: The address was recorded at approximately 12:35 p.m. on May 14 in the Map Room at the White House for broadcast on May 15. The transcript was made available by the Office of the Press Secretary on May 14 but was embargoed for release until 6 a.m. on May 15. The Office of the Press Secretary also released a Spanish language transcript of this address.

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